

Project Profile on Stone Polishing Unit

Introduction :

The unit proposes polish and sell Shahabad and Cuddapah etc. stones. The stones will be procured from quarries and under take polishing in the unit. Polished stones are abundantly used in floorings, kitchen slabs, toilets etc. in house constructions in Karnataka and Andharapradesh. These slabs are normally available in one inch thickness. Slabs of various length and breadth are cut in to required sizes and polished into high polishing machine with sand / emery materials as well as water as local lubricants for polishing. The first polishing machine for rough polishing and second one for smooth polishing. There is no specific quality specification prescribed by any institutions.

With the growth in the construction industry in the country in general and the State in particular, there has been a growth in the usage of flooring tiles made of stone. This is all the more pronounced by the fact that usage of stones like granite, marble, cudappah are increasingly finding acceptance as flooring materials in the country. These are not only durable but also lend aesthetics to the buildings. . Much would depend on the cost price and the quality of materials supplied.

Raw

materials required : Rough Stone, other materials .

1 Name of the Product : Stone Polishing Unit

2 Project Cost :

a	Capital Expenditure				
	Land	:			Own
	Worksheds	:		Rs.	
	Equipment	:		Rs.	65,000.00
	High Stone Polishing Machine and other equipments				
	Total Capital Expenditure			Rs.	65,000.00
b	Working Capital			Rs.	100,000.00
	TOTAL PROJECT COST :			Rs.	165,000.00

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in tons	Rate	Total Value
1	Stone Polishing Unit			643.10
TOTAL		0.00	0.00	643.10

4	Raw Material	:	Rs.	240,000.00
5	Packing Material	:	Rs.	10,000.00
6	Wages (1-Skilled & 2-Unskilled)	:	Rs.	96,000.00
7	Salaries 1 Manager		Rs.	120,000.00

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8	Administrative Expenses	:	Rs.	75,000.00
9	Overheads	:	Rs.	60,000.00
10	Miscellaneous Expenses	:	Rs.	20,000.00
11	Depreciation	:	Rs.	6,500.00
12	Insurance	:	Rs.	650.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	8,450.00
	b. W.C.Loan	:	Rs.	13,000.00
	Total Interest		Rs.	21,450.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	224,100.00
	Variable Cost		Rs.	419,000.00
	Requirement of WC per Cycle		Rs.	107,183.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	224.10	134.46	156.87	179.28
2	Variable Cost	419.00	251.40	293.30	335.20
3	Cost of Production	643.10	385.86	450.17	472.58
4	Projected Sales	850.00	510.00	595.00	680.00
5	Gross Surplus	206.90	124.14	144.83	165.52
6	Expected Net Surplus	200.00	118.00	138.00	159.00

- Note :
1. All figures mentioned above are only indicative.
 2. If the investment on Building is replaced by Rental then
 - a. Total Cost of Project will be reduced.
 - b. Profitability will be increased.
 - c. Interest on C.E.will be reduced.